
Agenda Item 5: Norfolk Economic Strategy

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Summary

This paper outlines the process undertaken to develop a new economic strategy for Norfolk, the key priorities highlighted within the draft strategy and a copy of the draft Norfolk Economic Strategy for review.

The purpose is to provide an up-to-date economic growth strategy for Norfolk, for the next 5 years, building on the Norfolk & Suffolk Economic Strategy. The strategy will be an overarching document for Norfolk, to encompass thematic, place based and sector strategies to help grow our local economy and support the people who live and work here.

It is timely for a refresh and update of the evidence base and, as part of Government policy, Norfolk is required to have an economic strategy as part of the LEP Integration. The Economic Strategy will act as the lead document for a number of related documents such as the Strategic Skills Plan, the Norfolk Infrastructure Delivery Plan, and other strategies covering growth at a county and district level.

The draft Norfolk Economic Strategy provides an overview of Norfolk's economy and key priority areas of focus to address economic growth, which is also inclusive and sustainable growth, aligned to the different needs of urban, rural and coastal areas of Norfolk. Strengths, opportunities and challenges for growth are listed against the main pillars of the strategy; key priorities are then highlighted - with actions listed under each priority and measures of impact.

The Norfolk Economic Strategy development was supported by the Norfolk Office for Data Analytics (NODA) and independent experts MetroDynamics. There were four phases to developing the strategy: building the evidence base and developing the logic model, extensive stakeholder engagement, including a series of workshops with over 500 organisations and individuals, developing the narrative and drafting the strategy.

The draft strategy has been endorsed by the Public Sector Leaders' Board and will now be reviewed by district councils and the Norfolk Business Board over the Autumn, ahead of Norfolk County Council's Cabinet meeting in November 2024.

Recommendation: The Board is invited to:

- **Endorse the draft Norfolk Economic Strategy, which will also be known as the 'Local Growth Plan' for Norfolk, subject to the Board's suggested amendments.**

Background

Government required Norfolk to have an economic strategy as part of the recent Local Enterprise Partnership (LEP) Integration. The functions being transferred to Norfolk County Council include responsibility for strategic economic planning and the development of the evidence base to support this work.

The purpose is to provide an up-to-date economic growth strategy for Norfolk, for the next 5 years, building on the Norfolk & Suffolk Economic Strategy.

The strategy will be an overarching document for Norfolk, to encompass thematic, place based and sector strategies to help grow our local economy and support the people who live and work here. It is timely for a refresh and update of the evidence base.

During January – April 2024, Norfolk County Council worked with independent experts MetroDynamics to develop the Strategy; and also the Norfolk Office of Data Analytics (NODA) to update the evidence base and undertake analysis of that the evidence, what it tells us about Norfolk's strengths, opportunities and challenges.

A series of workshops of 17 workshops were delivered across the county, to meet with stakeholders and seek their views on what they would like to see in the Norfolk Economic Strategy. Workshops were co-designed, with support from district council officers and VCSE representatives. Stakeholders included businesses, skills providers, VCSE and local government.

The workshops were well attended, with over 500 organisations engaged. The workshops aimed to raise awareness of the emerging Norfolk Economic Strategy and included a review of data and evidence at a county & district level, SWOT analysis – and a review of investment needs including a deeper economic understanding of urban, rural and coastal areas.

The second round of workshops aimed to revisit stakeholders from first round and to also reach new stakeholders, to report findings from round 1 workshops, to test the emerging priorities from the analysis with groups and gain consensus on priority areas for intervention and investment. Also to capture suggested activities for intervention. During May-July 2024, Norfolk County Council (NCC) worked with MetroDynamics to finalise the evidence base and draft the strategy, with subject leads. The draft Norfolk Economic Strategy is now being circulated for review by the Norfolk Business Board and input, ahead of Norfolk's district councils' Cabinet review and Norfolk County Council's Cabinet sign off thereafter.

Proposal for a Norfolk Economic Strategy

Norfolk is a £20bn economy and home to 916,100 people. An historic county that plays a vital role in the UK's future and a brilliant place to live, work and learn. We have globally important research strengths. Employment and levels of trade are both higher than the East of England. With the Broads National Park, Norfolk Coast Area of Outstanding Natural Beauty (AONB) and miles of coastline and countryside we have an enviable natural environment. Norwich is a fast-growing, city with two universities that combines its rich cultural, social and architectural heritage with a dynamic modern and creative business base and world class education and research base. Kings Lynn plays an anchor role as a major employment and education centre for the west of the county. Market towns including Thetford, Dereham, North Walsham, Downham Market, Attleborough and Diss are important centres of innovation, employment and culture. Norfolk's smaller market towns and villages help give the county its distinct character

and, on the coast, Great Yarmouth is at the forefront of both social and physical regeneration and the UK's offshore energy sector. But earnings and skills levels in Norfolk are lower than the country as a whole and we have communities both rural and urban facing real challenges of access to employment and healthy outcomes.

Norfolk's communities and businesses have proved resilient in the face of recent economic pressures, sustaining relatively high levels of employment and a high quality of life. But the cumulative pressures of increasing costs and uncertainty in the wider economic and investment outlook have created real difficulties for local people. This has exacerbated long term inequalities within Norfolk in wages, healthy life expectancy and business' ability to grow and succeed. Overall, our economic growth rate and productivity has remained below that of the UK. This increases pressure on wages, limits business' ability to invest and reduces opportunities for our communities.

Now is the right time to review our priorities and make sure that we are taking the right actions locally across public and private sectors partners and seeking the investment we need from Government. This strategy will target local needs and priorities, planning for the long term. It provides a strong platform for future Government funding.

Approach

The strategy sets out how Norfolk will both navigate short term challenges and uncertainty, whilst adapting and investing in the major opportunities that Norfolk has. The aim is not economic growth for its own sake or a narrow focus on GVA – we are aiming to invest in the actions and projects that will help our economy improve the quality of life for everyone who lives and works here, helping businesses innovate and grow, creating more and better paid opportunities for local residents. This strategy has been co-developed by a wide partnership of different firms, voluntary groups, representative organisations and local councils who share pride and ambition for our county and its unique assets and opportunities.

Based on the evidence and wide engagement with partners we have agreed actions against each of four major drivers of our economy – local businesses, people and skills, places and communities and infrastructure. We have set out actions for each that will enable Norfolk to use the major opportunities and assets we have to tackle the long-term challenges that we face. We also agreed that there were three priorities that should influence all our investment and actions in relation to the economy – reducing inequality, decarbonisation and supporting our coastal and rural communities. Actions to tackle each of these are integrated into this plan, rather than being identified separately.

The strategy sets a framework for priority interventions – and this is demonstrated through a twin track approach, firstly capitalising on high growth assets in our key sectors, such as clean energy, agri-food/ agri-tech, advanced manufacturing and engineering, digital/ ICT and also our strong financial services sector - in order to grow the economy, improve levels of productivity and support creation of higher wage jobs. But as well as high growth and emerging sectors, the strategy highlights it is equally important that we also support the foundational economy in Norfolk, for example agriculture, health and social care, the visitor economy.

Vision

- **A more inclusive, higher productivity economy** – with partners working together to improve the quality of work, remove barriers and enable an enterprising culture,

helping people of all ages into work. We want to grow overall levels of private and public investment to actively tackle the health and economic inequalities that exist within Norfolk, driving growth by unlocking the potential of residents and communities that are currently held back.

- **UK leader in clean energy production and climate change adaptation**, supporting UK's transition to **Net Zero** and with energy generated here being used to support our local transition. We want to protect our amazing natural environment, improving biodiversity and investing in natural capital.
- **A major cluster for the UK's Agrifood/ Agri-tech sector**, with a flourishing supply chain of local firms, including the Broadland **Food Enterprise Park**, just off the A47.
- **Centre of excellence for research and innovation**. With a growing **Norwich Research Triangle**, through the **Norwich Research Park** (the largest single-site concentration of research in food, health and life sciences in Europe, fostering a unique mix of world-leading research) to the engineering expertise at Lotus and **Hethel** with further growth planned to establish a technology hub in the region with potential to create in excess of 500 further jobs by 2026, leverage £500m investment and safeguard the area as a centre for sports car operations.
- **A European leader in Financial Services**, with a specialism in insurance and Insurtech. Capitalising on emerging growth opportunities in fintech. Norwich has one of the UK's largest general insurance sectors outside London, which generates approximately £1.6bn (20% of the city's GVA), with 12,000 jobs. Norfolk is home to 24 FinTech firms, including the highest proportion of Insurtech firms of any English region outside London (16%). FinTech cluster has potential to grow to 50 to 70 FinTech firms by 2027.
- **A major growth location as part of the Cambridge to Norwich growth corridor**, with large scale sites, growing clusters in advanced Manufacturing and engineering, digital tech, driven by strong research and innovation links across the corridor as a whole.
- **An international and domestic tourism destination** for the UK with growing value and expanding offer.
- An economy that **prioritises growth alongside Health and Wellbeing**.

Priority areas

- The draft Norfolk Economic Strategy provides an overview of Norfolk's economy and key priority areas of focus to address economic growth, which is also inclusive and sustainable growth, aligned to the needs of urban, rural and coastal areas of Norfolk. Strengths, opportunities and challenges for growth are listed against the main pillars of the strategy; key priorities are highlighted with actions listed under each priority and measures of impact. The headline key priority areas within the strategy, are as follows:
 - **Priorities for local businesses**
 - Support businesses in high-value clusters to **grow, innovate and generate more local value**
 - **Grow, strengthen and future proof** our business base, targeting needs of SMEs
 - Ensure businesses in all places across Norfolk can succeed, **prioritising growth in strategic sites and areas**
 - **Support businesses to provide** quality jobs, wages and conditions
 - **Priorities for People and Skills**
 - Inspire **life-long learning and workforce training**
 - Build the **talent and supply of appropriately skilled new entrants** to the workforce

- **Equip and future-proof the Norfolk** workforce to take advantage of digital and emerging green technologies
- Supporting **collaboration, efficiency and skills system leadership**
- **Priorities for Infrastructure**
 - Ensuring the **enabling infrastructure** is in place to support growth across Norfolk
 - Improving **transport connectivity**
 - **Sustainable** development, decarbonisation and climate change adaptation
- **Priorities for Placemaking and Communities**
 - Support all places across Norfolk to provide a **high quality of life**
 - Strengthen communities and social infrastructure, support resident wellbeing and **increase pride of place**
 - Promote Norfolk as a place to **live, work, visit and invest**
 - Protect and enhance Norfolk's **environment, heritage and cultural assets**

Strategic Alignment

Throughout the development of the Norfolk Economic Strategy, we have tried to ensure strategic alignment with existing and emerging district economic plans, sector strategies and also Norfolk strategies - such as the Norfolk Climate Strategy, Norfolk Apprenticeship Strategy and Flourish.

The Economic Strategy will act as the lead document for a number of related documents such as the Strategic Skills Plan, the Norfolk Infrastructure Delivery Plan, and other strategies covering growth at a county and district level.

During the development of the Norfolk Economic Strategy, officers also worked closely with EELGA and MetroDynamics as part of the steering group for the 'Opportunity East' report – an economic and infrastructure analysis for the East of England, to ensure strategic and regional alignment to Norfolk's priorities. In addition to working with a wide range of stakeholders, over 500 organisations, Norfolk has also been working closely with Suffolk County Council on the development of their economic strategy – to ensure the same data methodologies are applied and key sector opportunities that expand beyond county boundaries, such as Clean Energy and Advanced Manufacturing and Engineering, with regional significance and where a joint partnership approach to growth is required.

Timeline

18th June 2024 – Norfolk Chief Executives Group – Progress update and review of Norfolk Economic Strategy Emerging Priorities.

6th Sept 2024 – Public Sector Leaders Board – Draft Norfolk Economic Strategy circulated for endorsement (and also to Norfolk Chief Executives).

11th Sept 2024 – Norfolk County Council's Infrastructure & Development Committee - Draft Norfolk Economic Strategy circulated for endorsement.

26th Sept 2024 – Norfolk Business Board - Draft Norfolk Economic Strategy circulated for endorsement.

Oct– Nov 2024 Norfolk's District Councils' Cabinets - Draft Norfolk Economic Strategy circulated for endorsement.

4th November 2024 - Norfolk County Council's Cabinet - Draft Norfolk Economic Strategy circulated for endorsement.

10th December 2024 – Norfolk County Council's Full Council - Final Norfolk Economic Strategy submitted and implemented as a policy framework.

Dec 2024 - MHCLG – Final Norfolk Economic Strategy submitted to Government.

Recommendation

The Board is invited to:

Endorse the draft Norfolk Economic Strategy, which will also be known as the 'Local Growth Plan' for Norfolk, subject to the Board's suggested amendments.